

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 1995-1078-E and 2003-26-E – ORDER NO. 2006-775
DECEMBER 19, 2006

IN RE: Docket No. 1995-1078-E – Application of)	ORDER APPROVING
Carolina Power and Light Company DBA)	MODIFICATION OF
Progress Energy Carolinas, Inc. for Approval)	RIDERS
of Proposed Economic Development Rider)	
ED)	
)	
AND)	
)	
Docket No. 2003-26-E – Application of)	
Carolina Power and Light Company DBA)	
Progress Energy Carolinas, Inc. for Approval)	
of Economic Redevelopment Rider ERD)	

This matter comes before the Public Service Commission of South Carolina (the Commission) on the request of Progress Energy Carolinas, Inc. (PEC or the Company) for approval of modifications to Economic Development Rider ED and Economic Redevelopment Rider ERD (together, the Riders). PEC states that both Riders presently state that they will not be available to new customers after December 31, 2006. PEC wishes to remove this restriction.

PEC notes that Economic Development Rider ED was initially approved effective for service on and after July 21, 1995 by Commission Order No. 95-1375. Its availability was extended by the Commission in 1997, 2000, and 2003. The Rider has not materially changed since its introduction. Further, according to PEC, Economic Rider ERD was

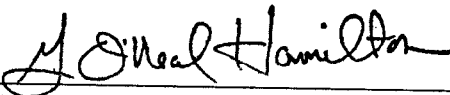
initially approved effective for service on and after March 15, 2003 by Commission Order No. 2003-115. The discount applicable to contract demands below 1 MW was reduced when the Rider's availability was extended by the Commission in 2004. Otherwise, PEC states that Rider ERD has not otherwise materially changed since its introduction. The Office of Regulatory Staff (ORS), however, has noted an additional change in Rider ERD. The new proposed Rider excludes the sentence "For Service Agreements executed on or before December 31, 2004, the discount percentage shall be 50% of the total bill for all contract demands." There are no longer any customers that could qualify for this provision. After discussions between ORS and PEC, they concur in a request that we also approve this modification in the new Rider. As therefore clarified, ORS has no objections to the proposed revisions.

According to both PEC and ORS, the Riders are offered to encourage economic growth and development within South Carolina. The Company asserts that these Riders have been instrumental in encouraging industrial expansion and job growth and continuing the availability of these Riders is consistent with State economic development policy, enhances capacity utilization, and expedites high load factor growth within the PEC service area. In addition, the Riders foster expanded tax base within the Company's service area in South Carolina.

We have examined the revised Riders and we approve them as filed. We agree that the Riders have been instrumental in encouraging industrial expansion and job growth. We also agree that continuing the availability of these Riders is consistent with State economic development policy, and enhances capacity utilization and expedites high

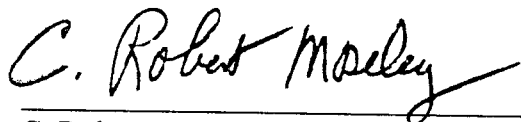
load factor growth within the PEC service area. Further, we concur that the Riders foster expanded tax base within the Company's service area in South Carolina. Accordingly, we approve the revised Riders as filed.

BY ORDER OF THE COMMISSION:



G. O'Neal Hamilton, Chairman

ATTEST:



C. Robert Moseley, Vice Chairman

(SEAL)